



4500 Park Granada Boulevard
Calabasas, California 91399

SFUND RECORDS CTR
2166-90076

September 25, 1987

Ms. Christina Felton
U.S. Environmental Protection Agency
Region IX (T-4-1)
215 Fremont Street
San Francisco, CA 94105

Re: San Fernando Valley Superfund Site

Dear Ms. Felton:

This letter and the materials accompanying it are in response to the letter dated 8/19/87 from Mr. Jeff Zelikson, Acting Director, Toxics & Waste Management Division, USEPA Region IX to Mr. R. A. Anderson at Lockheed Corporation (Lockheed) concerning the investigation of groundwater contamination in the San Fernando groundwater basin (the EPA letter). Mr. Anderson, who was Chairman of the Board of Lockheed Corporation is now retired. Any further contact with Lockheed Corporation concerning this matter should be addressed to me. Please note that the Lockheed Corporate headquarters is now located in Calabasas, the street address being 4500 Park Granada Blvd., Calabasas, CA 91399.

This is not Lockheed's first exposure to the groundwater contamination issue in the San Fernando Valley. The Lockheed Aeronautical Systems Company (LASC), a division of Lockheed Corporation, formerly the Lockheed-California Company, has been working with various regulatory agencies in investigating the problem. The primary contacts have been with the California Regional Water Quality Control Board - Los Angeles Region (Water Board), with lesser involvement with the California Department of Health Services (DHS), the Los Angeles Department of Water and Power (DWP) and other agencies. Most of the materials that accompany this letter were developed as a result of LASC's working with the Water Board.

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The EPA letter requests certain information and documents concerning Lockheed's "facility located at 2555 N. Hollywood Way, Burbank, CA...". That address is for LASC Plant A-1. There are four other current or former LASC plants in Burbank (B-1, B-5, B-6, and C-1), and Lockheed's response to the EPA letter is made for all of these plants rather than restricting it to just Plant A-1.

The LASC plants in Burbank have not been the sole Lockheed division or subsidiary operations in the San Fernando Valley. A subsidiary, Lockheed Air Terminal, has had an airplane fueling operation at the Burbank Airport for many years (and up until approximately 10 years ago owned and operated the airport). At the Van Nuys Airport, LASC conducted operations until the early 1970's. Another then-division of Lockheed, Lockheed Missiles & Space Company, operated there from the mid-1950's to approximately 1964.

The EPA letter intimates that the information sought by it is for the entire period of Lockheed's operations in Burbank. Some Lockheed operations in Burbank date back to the 1920's, and it is extremely difficult to come up with records or people who were familiar with operations that long ago. Furthermore, Lockheed has a systematic records retention and destruction system and does not keep all of its records for all time. Therefore, the information and written materials produced in response to the EPA letter are more current than historical in nature; however, the industrial programs conducted in Burbank by LASC have been in operation for many years, so the information/documents produced are representative of some extended period of time rather than being only a current snapshot.

You should be aware that LASC has a number of classified military programs in Burbank. The famous Lockheed Advanced Development Projects (the Skunk Works) is located in Burbank. The areas and materials used in the classified programs have not been excluded from this response, but neither has any classified information been included. If the EPA desires to seek information that is classified, it will have to coordinate with Lockheed's customers on the classified programs in order to gain access to that classified information.

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Lockheed's response to the EPA letter is essentially documentary in form without a great deal of narrative. A road map through these materials is presented by the internal Lockheed memorandum dated 9/22/87 from Mr. R. L. Miland, the Director of Environmental Affairs at LASC, to Mr. F. H. Reed, the Corporate Director of Environmental Affairs. This will guide you to which of the attachments is meant to be responsive to each of the specific information requests.

Although there is not much to be said concerning Lockheed's response to each of the specific requests for information/documents, I would like to comment as appropriate.

Item 1. The information provided is the current information spoken to above with a relation back in time due to the long tenure of the Lockheed programs in Burbank.

Item 2. The book of photographs made available gives an historical perspective of the growth of the East San Fernando Valley.

Item 3. The EPA letter indicates that this is a groundwater contamination investigation as opposed to a hazardous waste disposal site cleanup. A list of hazardous waste transporters has been included, but it dates back only to 1971 (as developing a more extensive list would require more time). The request that hazardous waste disposal manifests be provided has not been complied with due to the sheer volume (approximately 30,000) of manifests. The response time did not allow for retrieval and copying of the manifests. The manifests can be provided, and the EPA can decide whether it wants copies. EPA representatives are welcome to review the manifests in Burbank.

Items 4. & 5. As stated above, LASC had already conducted an extensive groundwater monitoring well program, the results of which have been provided to the Water Board. Those results are provided to the EPA for these items.

Item 6. The list of knowledgeable employees includes current and recent former employees of Lockheed (all who

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have been or were with Lockheed for many, many years). The list represents a number of disciplines which should be able to describe the pertinent operations in Burbank. Lockheed has not attempted to list every current, former, or retired employee who has or might have had knowledge concerning Lockheed operations in Burbank, as it believes that those employees actually listed can provide the needed information or can assist in expanding the list if such becomes necessary.

Item 7. This listing for each of the Burbank plants shows the very long period of time that the plants have been used by Lockheed and should give some idea as to how difficult it is to develop information for the entire periods of use.

Item 8. Lockheed's insurance broker, Marsh & McLennan, has been requested to put all of Lockheed's comprehensive general liability and environmental impairment liability insurance carriers on notice of the EPA investigation. Marsh & McLennan is currently in the midst of this effort. It will provide to Lockheed a list of all carriers notified, and this list will be provided to the EPA.

Item 9. The EPA letter requested audited financial documents. Since Lockheed is a public corporation, its financial documents are a matter of public record. Therefore, in response to this particular request, Lockheed provides a copy of the Form 10-K filed with the Securities and Exchange Commission for Lockheed's fiscal year ended December 28, 1986. A copy of Lockheed's Annual Report for 1986 is also included.

The EPA letter requested a notarized affidavit from a responsible Lockheed official concerning the diligent efforts made to develop information and produce documents in response to the EPA's requests and to attest to the fact that all information responsive to the requests has been provided. As witnessed by this letter and the materials produced in response to the EPA letter, it is evident that Lockheed has made a diligent search for knowledgeable employees and pertinent records; however, Lockheed cannot be sure that all information responsive to the EPA's request is being forwarded. The EPA letter allowed thirty days in which to respond. The size and duration of Lockheed

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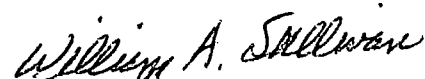
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operations in Burbank, as described above and shown by the documents produced, makes such a statement virtually impossible to make. Furthermore, there are Lockheed operations referenced in this letter for which a response has not been made for the reasons explained above. Finally, a number of the responses have been qualified for very legitimate reasons, most of which are re-recited in this paragraph. Therefore, Lockheed does not believe that at this stage of the investigation it can provide the requested affidavit.

As is evident from the nature and volume of material produced in response to the EPA letter, LASC has spent many man hours and dollars to develop these materials. Lockheed believes this is indicative of its cooperative attitude in trying to assess the scope of the groundwater contamination problem and is willing to continue with this cooperative attitude. In return, Lockheed would expect the EPA to focus its efforts on a regional basis in the San Fernando Valley and to include in the investigation any and all parties who may be responsible for groundwater contamination.

Very truly yours,



William A. Sullivan
Corporate Counsel

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ENCLOSURES

cc: Nestor Acedera, DHS (w/o enclosures)
Walter Hoyer, DWP (" ")